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**NRC STAFF WITHDRAWS VIOLATION AND PROPOSED \$80,000 FINE AGAINST
TVA FOR ALLEGED DISCRIMINATION AT SEQUOYAH AND WATTS BAR**

Action Follows Favorable TVA Ruling By U.S. Court of Appeals

The NRC staff has withdrawn a violation and an \$80,000 civil penalty, proposed against TVA on February 20, 1996 for alleged discrimination against a former TVA nuclear inspector who was not subsequently hired for positions at the Sequoyah and Watts Bar nuclear power plants. NRC took the action following a decision in TVA's favor by the U.S. Court of Appeals.

The NRC staff issued the violation and proposed the fine after being notified that the Office of the U.S. Secretary of Labor had concluded that the former employee was discriminated against when he was not hired because of a history of expressing nuclear safety concerns to both TVA and the NRC.

TVA appealed, and the U. S. Court of Appeals for the Sixth Circuit issued a decision on January 12 of this year which reversed the Secretary of Labor's finding of discrimination and vacated the orders of the Secretary. A final mandate in the cases was issued on March 10 of this year.

The NRC staff, according to agency policy, had held imposition of the proposed civil penalty in abeyance pending the outcome of TVA's appeal.

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